



Federal Communications Commission  
Washington, D.C. 20554

JAN 07 2002

Micheal L. Parker  
President  
Desert 31 Television, Inc.  
22720 S.E. 410<sup>th</sup> Street  
Enumclaw, Washington 98022

Re: Desert 31 Television, Inc.  
Station KVMD, Twentynine Palms, CA  
Fiscal Year 2001 Regulatory Fee  
Fee Control No. 0109278835764003

Dear Mr. Parker:

This is in response to your request, dated September 25, 2001, filed on behalf of Desert 31 Television, Inc. (Desert 31) for a waiver of the \$15,150.00 fiscal year (FY) 2001 regulatory fee for Station KVMD, Twentynine Palms, CA.<sup>1</sup> Our records reflect that the FY 2001 regulatory fee for KVMD has been paid.

You state that Twentynine Palms is a small city of approximately 12,000 people and that it is located 100 air miles east of Los Angeles, California. You state that a substantial mountain range ensures that no off-air Los Angeles television signals can be received in Twentynine Palms and that KVMD's 1000-watt signal cannot be seen outside of the immediate vicinity of Joshua Tree and Twentynine Palms, California. You assert that due to the method of establishing Arbitron designated market area (DMA) boundaries and the fact that individual California counties cover vast areas that include metropolitan areas and isolated communities such as Twentynine Palms, KVMD is part of the nation's second largest television market with a correspondingly high regulatory fee. You state that the station has had no revenue since it commenced operation in 1996 and that the FY 2001 regulatory fee amount equals two to three months of operating expenses for the station. You maintain that absent a waiver, the regulatory fee will break the station financially and will result in an almost certain cessation of station operations.

With respect to your argument that the FY 2001 regulatory fee will cause KVMD financial hardship, the Commission may waive, reduce, or defer regulatory fees only upon a showing of

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<sup>1</sup> In a letter dated November 15, 2001, you state that you request a waiver of FY 2001 regulatory fees, as opposed to a waiver of FY 2000 regulatory fees as stated in your September 25 letter. Letter from Micheal L. Parker, President, Desert 31 Television, Inc. to Thomas Putnam, Office of Managing Director, FCC (dated Nov. 2001).

good cause and a finding that the public interest will be served thereby. See 47 U.S.C. §159(d); 47 C.F.R. §1.1166; see also *Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year, Report and Order*, 9 FCC Rcd 5333, 5344 (1994), on recon., *Memorandum Opinion and Order*, 10 FCC Rcd 12,759, para. 12 (1995) (regulatory fees may be waived, deferred, or reduced on a case-by-case basis in extraordinary and compelling circumstances upon a clear showing that a waiver would override the public interest in reimbursing the Commission for its regulatory costs). The Commission will waive, reduce or defer its regulatory fees in those instances where a petitioner presents a compelling case of financial hardship. See *Implementation of Section 9 of the Communications Act*, 9 FCC Rcd 5333, 5346 (1994), on recon., 10 FCC Rcd 12759 (1995). Regulatees can establish financial hardship by submitting:

information such as a balance sheet and profit and loss statement (audited, if available), a cash flow projection . . . (with an explanation of how calculated), a list of their officers and their individual compensation, together with a list of their highest paid employees, other than officers, and the amount of their compensation, or similar information. 10 FCC Rcd at 12761-12762.

You have submitted no information to support your claim of financial hardship. In the absence of such documentation, we find that you have failed to make a compelling showing that the public interest would be served by a waiver of KVMD's FY 2001 regulatory fee on this basis. In view of your allegations regarding financial hardship, however, you may refile KVMD's request, along with appropriate supporting documentation establishing that KVMD meets the standards set forth above, within 30 days of the date of this letter.

With respect to your argument that the FY 2001 regulatory fee for KVMD should be waived given the limited coverage of the station's signal and KVMD's inclusion in the Los Angeles DMA, the Commission has set standards for determining whether the regulatory fees for a television station may be reduced below the fees assessed for stations in the relevant DMA. *Implementation of Section 9 of the Communications Act*, 10 FCC Rcd 12759, 12763 (1995). The Commission will reduce fees for television stations having certain characteristics. *Id.* Such a station must be located outside the metropolitan area of the principal city in the assigned DMA and may not provide a Grade B signal to a substantial portion of the assigned market's metropolitan areas. *Id.* Stations that meet these criteria and request fee reductions will be assessed regulatory fees based on the number of households they serve; stations that serve fewer television households than are in the top 100<sup>th</sup> market will be assessed the regulatory fee for remaining market stations. *Id.*


In the absence of appropriate documentation, you have not met the Commission's standards set forth above for reducing the FY 2001 regulatory fee established for KVMD as a station in the Los Angeles DMA. Your request for a waiver of the regulatory fee is therefore denied on this basis. In view of your allegations, however, you may refile KVMD's request, along with appropriate supporting documentation establishing that KVMD meets the standards set forth above, within 30 days of the date of this letter. Such supporting documentation should include,

among other things, evidence regarding the number of television households served by KVMD.

We therefore deny your waiver request. If you have any questions concerning this matter, please contact the Revenue & Receivables Operation Group at (202) 418-1995.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Reger", with a large, stylized initial "M" and a trailing flourish.

 Mark Reger  
Chief Financial Officer

0109278835764003  
Supplement

**DESERT 31 TELEVISION, INC.**

22720 S.E. 410<sup>th</sup> Street  
Enumclaw, Washington 98022

Phone: 360-825-1099  
Fax: 360-825-4517

November 15, 2001

Thomas Putnam  
Office of Managing Director  
Federal Communications Commission  
Washington, D.C. 20554

BY FACSIMILE

Re: *Commercial Television Station KVMD  
Twentynine Palms, California  
Request for Waiver of Regulatory  
Fees*

Dear Mr. Putnam:

On September 25, 2001, Desert 31 Television, Inc. ("Desert 31"), licensee of commercial television station KVMD, Twentynine Palms, California, transmitted to the Commission a written request for waiver of regulatory fees.

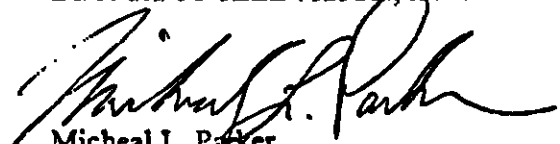
That request stated that fcc waiver was sought for "Fiscal Year 2000". In fact, it was and remains the intention of Desert 31 to seek by that letter the waiver of regulatory fees which were due to be paid in September 2001.

I regret any confusion the September 25, 2001, letter may have caused.

This letter was prepared under the direction of the undersigned, president of Desert 31 Television, Inc.

Respectfully submitted,

DESERT 31 TELEVISION, INC.

  
Micheal L. Parker  
President

01092788357  
64003

Federal Communications Commission  
Office of the Managing Director

C.A.#

To:

- |  |   |
|--|---|
| <input type="checkbox"/> Chairman                    | <input type="checkbox"/> Managing Director                    |
| <input type="checkbox"/> Commissioner                | <input type="checkbox"/> Deputy Managing Director - RL        |
| <input type="checkbox"/> Inspector General           | <input type="checkbox"/> Deputy Managing Director - BS        |
| <input type="checkbox"/> General Counsel             | <input type="checkbox"/> Staff Assistant to Managing Director |
| <input type="checkbox"/> Chief, OET                  | <input type="checkbox"/> Assistant for Management             |
| <input type="checkbox"/> Chief, Plans and Policy     | <input type="checkbox"/> Assoc. MD - PERM                     |
| <input type="checkbox"/> Chief, Adm. Law Judge       | <input type="checkbox"/> Assoc. MD - HRM                      |
| <input type="checkbox"/> Chief, MMB                  | <input type="checkbox"/> Assoc. MD - AO                       |
| <input type="checkbox"/> Chief, CSB                  | <input checked="" type="checkbox"/> Assoc. MD - FO            |
| <input type="checkbox"/> Chief, CCB                  | <input type="checkbox"/> Security Operations Staff            |
| <input type="checkbox"/> Chief, WTB                  | <input type="checkbox"/> Director, ITC                        |
| <input type="checkbox"/> Chief, CIB                  | <input type="checkbox"/> The Secretary                        |
| <input type="checkbox"/> Chief, International Bureau | <input type="checkbox"/> Other                                |
| <input type="checkbox"/> Director, OLIA              |   |
| <input type="checkbox"/> Director, Public Affairs    |   |
| <input type="checkbox"/> Director, OCBO              |   |
| <input type="checkbox"/> Chief, Workplace Diversity  |   |
| <input type="checkbox"/> AV Management Officer       |   |

① 2 day letter  
to Auto & Job  
Ritter  
②  
③ Ticker for  
30 day

- |  |   |                                       |
|--|---|---------------------------------------|
| <input checked="" type="checkbox"/> Appropriate Action | <input type="checkbox"/> Coordination     | <input type="checkbox"/> Information  |
| <input type="checkbox"/> Recommendation/Comment        | <input type="checkbox"/> Briefing Paper   | <input type="checkbox"/> As Requested |
| <input type="checkbox"/> Review                        | <input type="checkbox"/> Written Response | <input type="checkbox"/> Distribution |
| <input type="checkbox"/> Signature                     | <input type="checkbox"/> Verbal Response  | <input type="checkbox"/> See Me       |
| <input type="checkbox"/> Reply for _____               | <input type="checkbox"/> Other: _____     |                                       |

CONTROLLED ASSIGNMENT:

☐ New ☐ Confirm

Due Date

Remarks

RECEIVED

SEP 27 3 16 PM '01

ASSOC. MNG. DIR.  
FINANCIAL OPERATIONS  
(MD-FO)

MANAGING DIRECTOR

From: \_\_\_\_\_

Date: SEP 26 2001

MD-230A  
March/99

00000RROG-061

**DESERT 31 TELEVISION, INC.**

22720 S.E. 410th Street  
Enumclaw, Washington 98022

Phone: 360-825-1099  
Fax: 360-825-4517

September 25, 2001

Andrew S. Fishel, Esq.  
Managing Director  
Federal Communications Commission  
Washington, D.C. 20554

RECEIVED

SEP 27 3 16 PM '01

ASSOC. MNG. DIR.  
FINANCIAL OPERATIONS  
(MM-FO)

Re: *Commercial Television Station KVMD  
Twentynine Palms, California  
Request for Waiver of Regulatory  
Fees*

Dear Mr. Fishel:

Desert 31 Television, Inc. ("Desert 31"), licensee of commercial television station KVMD, Twentynine Palms, California, herewith requests that the Commission waive the requirement that Desert 31 pay \$15,150 in fees for Fiscal Year 2000.

***Desert 31's Background:*** Twentynine Palms is a small city of about 12,000 people located slightly more than 100 air miles east of Los Angeles, California, in sparsely-populated high desert. A substantial mountain range ensures that no off-air Los Angeles television signals can be received in Twentynine Palms, and KVMD's modest 1000-watt signal cannot be seen outside of the immediate vicinity of Joshua Tree and Twentynine Palms, California.

Desert 31 commenced operation of commercial television station KVMD in about 1996. Since that time, the station has had no revenue whatsoever, and it continues to air free programming without any commercial announcements or block-time sales. The station has two employees. As sole shareholder of Desert 31, I have personally financed and I continue to finance its operation. The station is seen on no cable television systems at all.

***Desert 31's Market Position:*** Due to the peculiar means of establishing Arbitron DMA boundaries and the fact that California counties, almost unique among the lower 48 contiguous states, cover vast areas, leaving isolated communities such as Twentynine Palms in the same counties with large metropolitan areas located many miles away. Thus, Desert 31 finds itself in the nation's second largest television market, with a regulatory fee of \$15,150, which equals about 2-3 months operating expenses for the station.

Andrew S. Fishel, Esq.  
Federal Communications Commission  
September 25, 2001  
Page 2

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**Conclusion:** KVMD is clearly operating as an extremely small-market station on the far reaches of the Los Angeles market. The Commission's assessment of a \$15,150 regulatory fee on the station is a burden which will break the station financially, and result in an almost certain cessation of operations.

This request was prepared under the direction of the undersigned, president of Desert 31 Television, Inc., and is true to the best of my personal knowledge. I have signed this letter under penalty of perjury under the laws of the United States.

Respectfully submitted,

DESERT 31 TELEVISION, INC.

  
Micheal L. Parker  
President

FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

OCT 5 2001


OFFICE OF  
MANAGING DIRECTOR

Michael L. Parker  
Desert 31 Television, Inc.  
22720 S.E. 410<sup>th</sup> Street  
Enumclaw, Washington 98022

Dear Sir:

This letter is acknowledging receipt of your letter dated September 25, 2001, which was received by the FCC on September 27, 2001. Within 30 days of this letter we will mail you either a resolution to your item or a letter telling you when you can expect a resolution. If you have any questions concerning this letter please call the Office of the Chief Financial Officer at (202) 418-1925.

Sincerely,



Mark A. Reger  
Chief Financial Officer



Michael L. Parker  
Desert 31 Television, Inc.  
22720 S.E. 410<sup>th</sup> Street  
Enumclaw, Washington 98022

Federal Communications Commission  
Office of the Managing Director

C.A.#

To:

- |  |   |
|--|---|
| <input type="checkbox"/> Chairman                    | <input type="checkbox"/> Managing Director                    |
| <input type="checkbox"/> Commissioner                | <input type="checkbox"/> Deputy Managing Director - RL        |
| <input type="checkbox"/> Inspector General           | <input type="checkbox"/> Deputy Managing Director - BS        |
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| <input type="checkbox"/> A/V Management Officer      |   |

① 2 day letter  
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R. H. H.  
②  
③ Ticker for  
30 days

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CONTROLLED ASSIGNMENT:

☐ New ☐ Confirm

Due Date

Remarks

RECEIVED  
SEP 27 3 16 PM '01  
ASSOC. MNG. DIR.  
FINANCIAL OPERATIONS  
(MD-FO)

MANAGING DIRECTOR

From: \_\_\_\_\_

Date: SEP 26 2001

MD-23  
March

# DESERT 31 TELEVISION, INC.

22720 S.E. 410th Street  
Enumclaw, Washington 98022

Phone: 360-825-1099  
Fax: 360-825-4517

September 25, 2001

Andrew S. Fishel, Esq.  
Managing Director  
Federal Communications Commission  
Washington, D.C. 20554

RECEIVED

SEP 27 3 16 PM '01

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(AMD-FO)

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Andrew S. Fishel, Esq.  
Federal Communications Commission  
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This request was prepared under the direction of the undersigned, president of Desert 31 Television, Inc., and is true to the best of my personal knowledge. I have signed this letter under penalty of perjury under the laws of the United States.

Respectfully submitted,

DESERT 31 TELEVISION, INC.

  
Micheal L. Parker  
President

Desert 31 Television, Inc.  
22720 S.E. 410th Street  
Enumclaw, WA 98022

Andrew S. Fishel, Esq.  
Managing Director  
Federal Communications Commission  
Washington, D.C. 20554